

U.S. DEPARTMENT OF ENERGY
NEVADA OPERATIONS OFFICE

ORDER

NV O 450.4X

Approved: 03-20-01
Review Date: 03-20-03
Expires: 03-20-05

**INTEGRATED MANAGEMENT
PLAN**



INITIATED BY:
Resources Management Division

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1. **OBJECTIVE.** This Order identifies activities and defines fiscal year (FY) recurring work processes associated with planning, budget formulation, budget execution, and evaluation which are consolidated in an annual Integrated Management Plan (IMP). Figure 1 illustrates the relationship between these processes and the Strategic Plan, Annual Baseline Plans (ABP), Field Budget Call, Annual Contract Plan (ACP), Performance Measurement Development, Task Planning, Budget Execution, Work Performance and Change Control, Performance Assessment, and Year End Closeout. In addition, this Order identifies existing functional responsibilities for the Department of Energy (DOE) Nevada Operations Office (DOE/NV), an optimum schedule and necessary completion dates that ensure appropriate linkage of planning, budget formulation, budget execution, and evaluation processes.

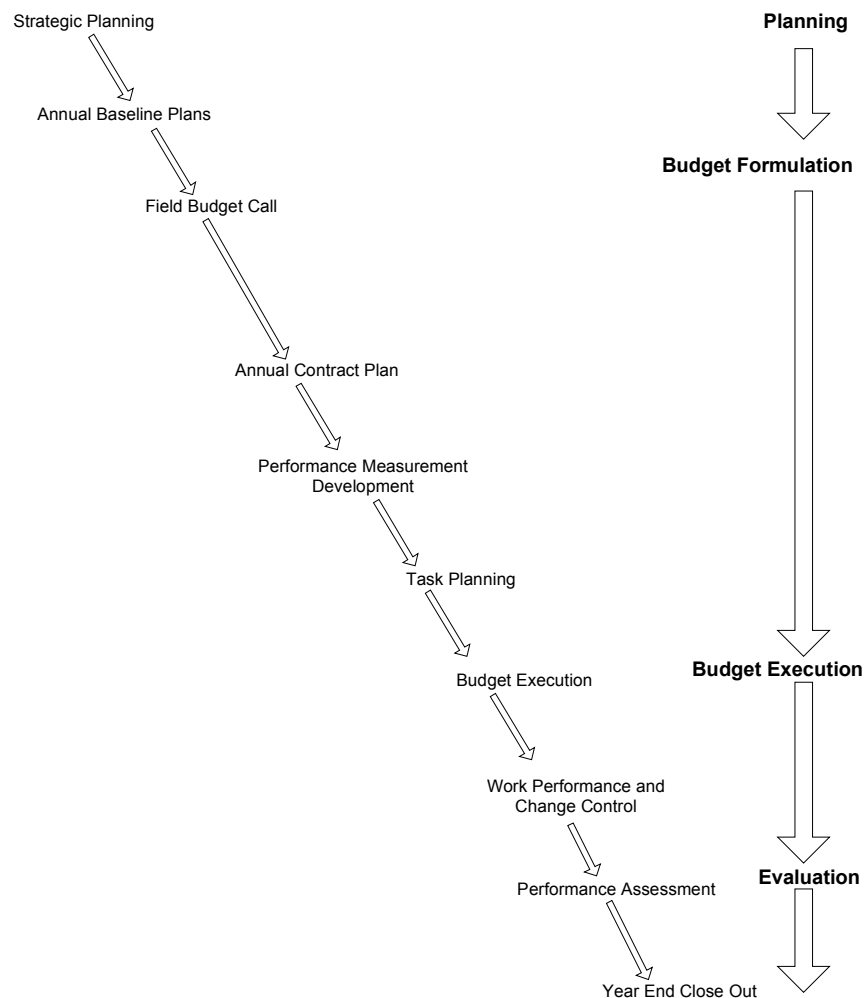


Figure 1. IMP Flow

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2. CANCELLATION. NV PI 97-008, DOE/NV INTEGRATED MANAGEMENT SCHEDULE, dated 5-29-97.
3. APPLICABILITY. Provisions of this Order applies to DOE/NV organizational elements.
4. REQUIREMENTS.
 - a. The Resources Management Division (RMD) will issue an annual guidance letter requesting responsible DOE/NV Assistant Managers (AM) or their representatives to identify specific IMP activities and milestone dates. At a minimum, the activities identified in Attachment 1 must be addressed. In addition, RMD will issue notifications of upcoming scheduled IMP activities to the Leadership Team during the year. RMD will track the completion of these activities.
 - b. The DOE/NV AMs or their representatives will:
 - (1) Identify annual IMP activities.
 - (2) Discuss with staff and contractors IMP activities.
 - (3) Develop milestone dates for IMP activities.
 - (4) Track performance on IMP activities.
 - (5) Submit IMP changes to RMD.
5. RESPONSIBILITIES.
 - a. DOE/NV Manager.
 - (1) Responsible for the overall IMP Program.
 - (2) Appoints members to the Resource Management Council.
 - b. AMs or Representatives. Responsible for the development of Task Plans (TP), ABPs, Strategic Plan, IMP, and ACPs, for a given FY.

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- c. Resources Management Division. Responsible for planning, budget formulation, and oversight of budget execution; providing direction in the development of the field budget call; and issuing programmatic guidance to the contractor and DOE/NV AMs to: develop TPs, maintain the Baseline Change Control process, develop ABPs, development ACPs, and to develop an annual IMP.
- d. Contracts Management Division. Responsible for facilitating the development of scorecards which identify DOE/NV's priority performance measures and expectations (metrics), development of the Performance Evaluation Plan for which specific percentage of fee is allocated, negotiating the determination of the contractor's available fee, and assessing overall performance of the contractor for the determination of earned fee.
- e. DOE/NV Resources Management Council. Responsible for facilitating the development of the ABP which ensures balanced prioritization of DOE/NV mission/program work with environment, safety, and health (ES&H) activities in budget planning and formulation.
- f. DOE/NV TP Manager. A DOE/NV employee, formally designated by a DOE/NV Office/Division Director, who is responsible for oversight of specific tasks within a program/project to ensure compliance with approved plans. The Task Manager is accountable to the Director for providing appropriate support to designated Program/Project Managers. The Task Manager is responsible for monitoring performance in accordance with approved plans, notifying the Program/Project Manager of deviancies from plans and unsafe conditions, and providing recommendations to the Program/Project Manager to ensure the delivery of specific project deliverables.

6. REFERENCES.

- a. NV M 210.X, CONTRACTOR PERFORMANCE ADMINISTRATION, dated 8-22-00.
- b. *DOE/HQ Strategic Management Plan*, dated September 2000.
- c. *DOE/NV Strategic Management Plan*, dated August 2000.
- d. *Life Cycle Asset Management Good Practice Guide*, "Work Scope Planning," FM-008, Office of Field Management, March 1996.

- e. *Work Breakdown Structure Guide*, DOE Assistant Secretary, Management and Administration, February 1987.
- f. *DOE Budget Formulation Handbook*, March 2000.

7. DEFINITIONS.

- a. Annual Baseline Plans. The ABP is a process for ensuring balanced prioritization of DOE/NV mission/program work with ES&H activities in budget planning and formulation. Once DOE/NV has decided what the balance should be for a given FY, they are documented in an ABP (refer to NV O 124.X, PLANNING AND BUDGET PRIORITIZATION OF WORK, for further details on the ABP).
- b. Annual Contract Plan. Prior to the start of each FY, the DOE/NV Contracting Officer provides the contractor scopes of work, major milestones, and an annual budget, referred to as the ACP. The contractor uses the ACP as a guide on developing detailed plans, schedules, and cost estimates for the execution year (EY).
- c. Approved Funding Program (AFP). DOE/NV budget execution document which formally identifies funds available for obligation by program, project, and activity. An AFP is issued to each Performance-Based Management and Operating Contractor and to the cognizant DOE/NV organizations responsible for management and operating contract funding.
- d. Baseline Change Control. The required process for changing the technical, budget, ES&H requirements, and/or schedule baselines of TPs.
- e. Budget Execution, Work Performance, and Change Control. As work is performed, the contractor is required to submit performance reports throughout the FY. In addition, informal and formal discussions regarding these reports should occur to ensure performance is appropriate, that corrective actions are taken, and that the required changes take place.
- f. Budget Year (FY+2). The budget year (BY) is the FY for which budget estimates are being developed by the Field Office and is two FYs from the current EY.

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- g. Current Year (FY+1). The current year is the FY immediately preceding the BY (FY+2). It is the FY of the budget currently being considered in Congress.
- h. Direct Cost. Direct cost is any cost that can be readily identified to a particular product or service offered. Examples of direct cost are direct labor and direct material.
- i. Execution Year. The EY is the FY in which the budget is being executed by the Field Office.
- j. Field Budget Call. The Office of Management and Budget (OMB) and the Congress requires DOE Headquarters (DOE/HQ) to prepare and submit annual budget requests in accordance with OMB Directives and applicable federal laws. DOE/HQ annually requests a field budget from all field offices. DOE/NV follows the Department's budget guidance and submits their annual budget in accordance with the DOE budget formulation instructions and schedules, DOE/HQ Chief Financial Officer budget calls, and OMB Circular A 11, *Preparation and Submission of Budget Estimates*.
- k. Indirect Cost. Indirect costs are those costs that cannot be identified with a single, specific, final cost objective. These costs, collected in cost pools, are distributed or allocated to a final cost objective based on a predetermined methodology. Site overhead costs and organizational burden are examples of indirect costs.
- l. Performance Assessment. This process requires DOE/HQ, DOE/NV, laboratories, and contractor(s) to evaluate and assess performance of both the direct and indirect scopes of work as defined by the TPs. Assessment of contractor performance by DOE/NV is a continuous process throughout the EY and is conducted in accordance with the Performance Evaluation Plan.
- m. Performance Measurement Development. The DOE/NV's contractors are responsible for planning, managing, and performing scopes of work assigned by DOE/NV. Performance objectives are established for all assigned scopes of work. Performance measures with specific expectations (metrics) are established for the performance objectives. These specific metrics identify acceptable levels of performance for the execution of the scopes of work and may be used as a measure in determining a contractor's management effectiveness and/or basis for assessing performance and determining fee.

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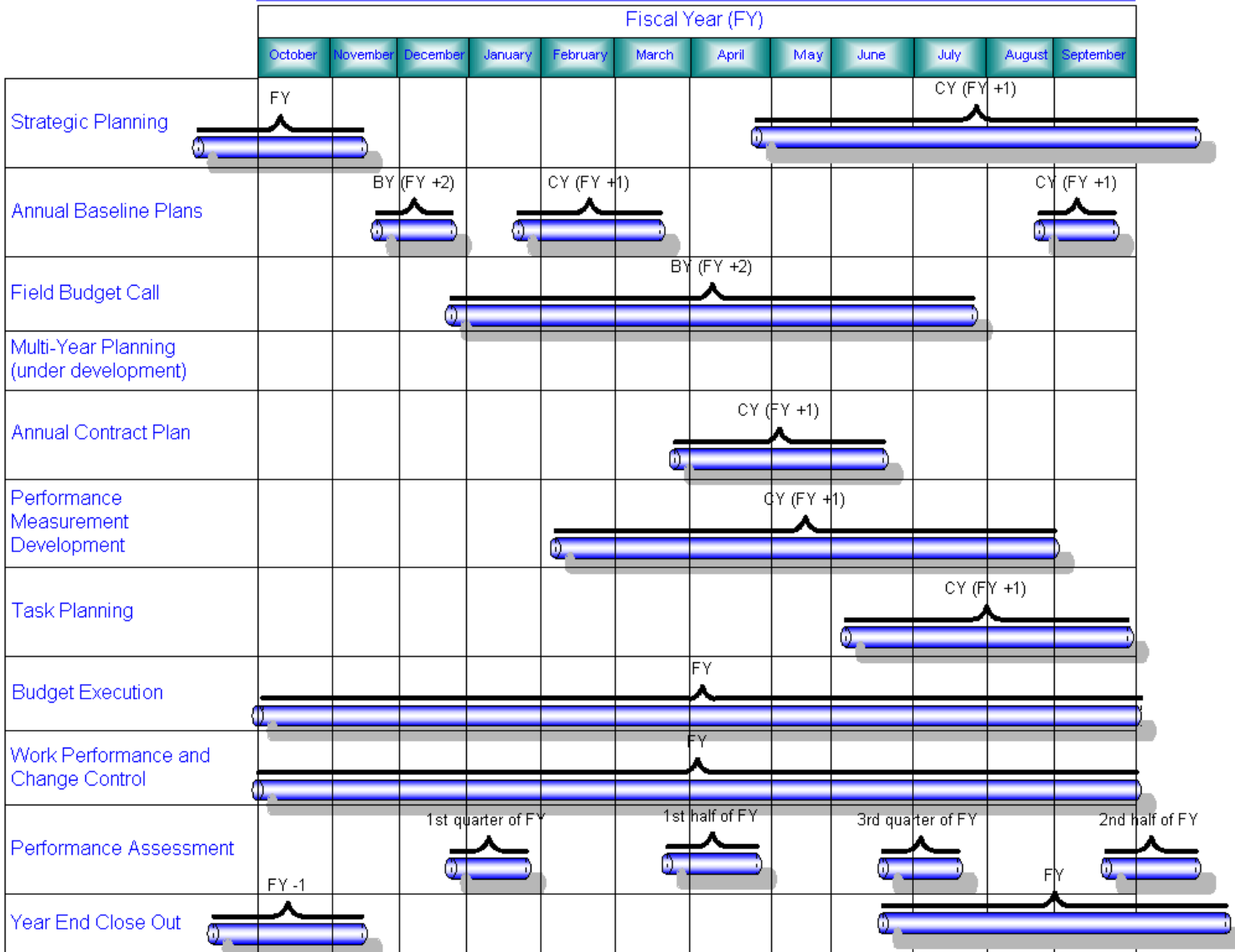
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- n. Project Control System. An integrated set of planning and control processes supported by a Business Management System to provide data on performance and progress of a scope of work.
 - o. Year End Closeout. At the end of each FY, DOE/NV closes out their financial records for that FY. This process requires DOE/NV contractors, in turn, to close out their FY financial activities and report those results to DOE/NV for consolidation. Once this consolidation process has been completed, Work Scope Managers will then be in a position to better evaluate their FY scope of work accomplishments, identify carryover funds, and plan for the subsequent FY activities. Any necessary changes or revisions would be accomplished through the use of the formal change control process.
8. ATTACHMENT. See "Integrated Management Plan."
9. CONTACT. Questions concerning this Order should be addressed to DOE/NV RMD at (702) 295-0967.










Kathleen A. Carlson
Manager









DOE/NV INTEGRATED MANAGEMENT PLAN (IMP) - SUMMARY



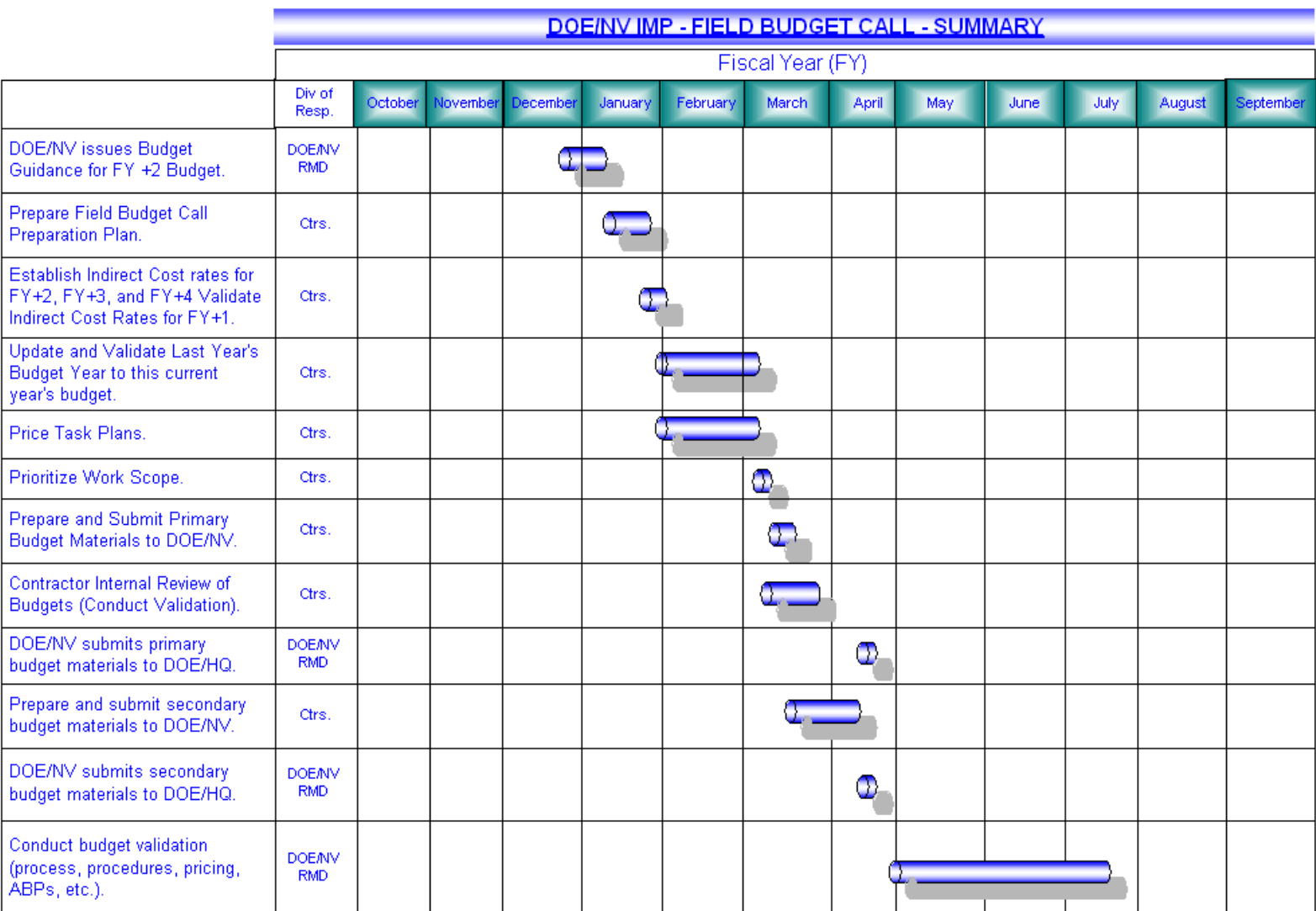
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DOE/NV IMP - Strategic Planning - Summary													
Fiscal Year (FY)													
	Div of Resp	October	November	December	January	February	March	April	May	June	July	August	September
Strategic Planning (for CY (FY+1))	DOE/NV OMGR												
DOE/HQ Strategic Plan	OMGR												
Establish Matrix Team to Review and Revise DOE/NV Strategic Plan	OMGR												
Review Changes in DOE/HQ Plans and Consult With DOE/NV Management and Partners	OMGR												
Formulate Draft Revised Strategic Plan	OMGR												
Brief Senior Management and Stakeholders on Changes	OMGR												
Revise Draft to Incorporate Comments	OMGR												
Publish DOE/NV CY (FY +1) Strategic Plan	OMGR												





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DOE/NV IMP - Annual Baseline Plan (ABP) - Summary													
Fiscal Year (FY)													
	Div of Resp	October	November	December	January	February	March	April	May	June	July	August	September
Evaluate activities to determine if any mission/program work should be exempted from the FY+2 ABP.	DOE/NV Mgr. & Ast. Mgr.												
The DOE/NV Assistant Managers provide guidance to Contractors for ES&H activities for FY +2.	DOE/NV Ast. Mgr.												
Provide new contract funding estimate for FY+2 ABP development.	DOE/NV RMD												
Develop proposed FY +2 ABP for ES&H activities and forward them to DOE/NV Assistant Managers.	Ctrs.												
Review proposed FY +2 ES&H ABP and financial impacts to determine if acceptable or not acceptable.	Resource Mgt. Council												
DOE/NV Assistant Managers and Contractors make necessary adjustments to FY +2 ABP.	Resource Mgt. Council & DOE/NV Mgr												
DOE/NV Assistant Managers and the Contractor update the FY +1 ABP.	DOE Ast. Mgrs & Ctrs.												
DOE/NV Assistant Managers and Contractor update the FY +1 ABP.	DOE Ast. Mgrs & Ctrs.												








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DOE/NV IMP - ANNUAL CONTRACT PLAN (ACP) - SUMMARY													
Fiscal Year (FY)													
	Div of Resp.	October	November	December	January	February	March	April	May	June	July	August	September
DOE/NV Assistant Managers provide guidance to BN on the development of scope of work, any major milestones, and an annual budget for the ACPs.	DOE/NV Asst. Mgrs.												
BN uses the guidance provided by DOE/NV Assistant Managers to develop detailed plans, schedules, and cost estimates for ACPs.	Ctrs.												
BN reviews detailed ACPs with DOE/NV Assistant Managers and customers. BN and DOE/NV are to assess the detailed plans, schedules and cost estimates, renegotiate milestone deliverables if necessary, and then finalize the ACPs.	DOE/NV CO or their DOs, and Ctrs.												
DOE/NV Assistant Managers, DOE/NV Contracting Officer (CO), and BN sign ACPs. The Resources Management Division collects signed ACPs and submits the originals to the Contracts Management Division.	DOE/NV CO or their DOs, and Ctrs.												

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DOE/NV IMP - PERFORMANCE MEASUREMENT DEVELOPMENT - SUMMARY													
Fiscal Year (FY)													
	Div of Resp	October	November	December	January	February	March	April	May	June	July	August	September
Determines proposed FY +1 Performance Objectives, Measures, and Weights.	DOENV Exec. Council												
Coordinates proposed FY +1 Performance Objectives, Measures, and Weights with DOE/HQ, BN, and National Laboratories; modifies as appropriate.	DOENV Cont. Mgt. Div.												
Develop FY +1 scorecards, including expectations and documentation.	DOENV Div. Directors												
Drafts FY +1 Performance Evaluation and Measurement Plan (PEMP) and distributes to BN, DOE/HQ, and Laboratories for comments.	DOENV Cont. Mgt. Div.												
Finalize FY +1 scorecards.	DOENV Div. Directors												
Negotiates FY +1 fee pool.	DOENV Contr. Officer												
Issues approved FY +1 PEMP.	DOENV Contr. Officer												

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














DOE/NV IMP - TASK PLANNING - SUMMARY													
Fiscal Year (FY)													
	Div or Resp	October	November	December	January	February	March	April	May	June	July	August	September
DOE/NV AMs submit to the Project Control System Working Group (PCSWG) representatives their preliminary DOE/NV direct WBS and responsible DOE/NV Task Plan (TP) Managers (no lower than Team Leaders). This is to be at the TP Level for the Centers.	DOE/NV AMs												
The PCSWG reviews and verifies that the WBS reflects a complete package for DOE/NV. The PCSWG submits this WBS and responsible DOE/NV TP Managers to the Centers' Mission Managers.	PCSWG												
DOE/NV TP Managers are to submit to the PCSWG representatives the reporting requirements needed below the direct TP level.	DOE/NV TP Managers												
DOE/Assistant Managers submit for the Resources Management Council (RMC) approval, some select indirect functions to be implemented in the TP process.	DOE/NV AMs												
DOE/NV's RMC approves/disapproves indirect functions.	DOE/NV RMC												
The PCSWG reviews and submits DOE/NV reporting requirements to the Centers.	PCSWG												
DOE/NV TP Managers update TP Work Scope Descriptions, Performance Objectives, Measures and Expectations, Milestones/Deliverables, and define time frame to perform for both the direct funded work and the select indirect functions.	DOE/NV and Ctrs.												
The contractor TP Managers complete initial TP (with preliminary cost estimates).	Ctrs.												
The contractor TP Managers review TPs with DOE/NV TP Managers and customers (with final estimates).	DOE/NV's TP Mgrs and Ctrs.												
DOE/NV, BN, and WSI senior Management resolve outstanding issues.	DOE/NV and Ctrs.												
DOE/NV TP Managers and contractor TP Managers sign TPs. The DOE/NV TP Managers submit to the PCSWG representatives their complete set of the approved FY +1 TP. The PCSWG consolidates all of the TPs and submits a complete TP package to DOE/NV RMD.	DOE/NV and Ctrs.												
FY +1 TPs under Change Control.	DOE/NV and Ctrs.												

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DOE/NV IMP - BUDGET EXECUTION - SUMMARY													
Fiscal Year (FY)													
	Div of Resp	October	November	December	January	February	March	April	May	June	July	August	September
Monthly Closure	Ctrs.												
Issue FIS Data to DOE/NV 4th Working Day of Each Month)	Ctrs.												
Issue Validated Actuals	Ctrs.												
Issue Monthly Progress Report for Review	Ctrs.												
Internal Management Review	Ctrs.												
Issue Monthly Status Report to DOE/NV	Ctrs.												
Joint DOE/NV and Contractor Progress Reviews (Direct and Indirect at Program Level)	DOE/NV & Ctrs.												
Issue Approved Funding Program (AFP)--Supplemental	RMD												
Comparison of AFP to Actual Progress (Funds Management Report)	DOE/NV & Ctrs.												
Executive Quarterly Review	DOE/NV OMGR												
Review of Progress (Financial and Programmatic)	DOE/NV & Ctrs.												

		DOE/NV IMP - WORK PERFORMANCE AND CHANGE CONTROL - SUMMARY											
		Fiscal Year (FY)											
Div of Resp		October	November	December	January	February	March	April	May	June	July	August	September
Work Performance and Baseline Change Control	DOE/NV Ctrs.												

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DOE/NV IMP - PERFORMANCE ASSESSMENT - SUMMARY													
Fiscal Year (FY)													
Div of Resp	October	November	December	January	February	March	April	May	June	July	August	September	
Requests comments from DOE/NV on contractor's performance for the (informal) quarterly meeting between DOE/NV and contractor Senior Staff Members.	DOE/NV CMD												
DOE/NV and contractor's senior management participate in an informal meeting to discuss contractor's performance for the first quarter of the FY.	DOE/NV and Ctrs.												
Requests comments from DOE/HQ and DOE/NV on contractor's semiannual performance based on the established FY Award Fee Criteria.	DOE/NV CMD												
Begin validation/documentation process of completed performance measures and expectations.	DOE/NV Div. Dirs.												
Brief DOE/NV Executive Council on contractor's semiannual self-assessment.	Ctrs.												
Obtain scorecard signatures and Award Fee input.	DOE/NV AMs												
Establishes fee recommendation for Fee Determination Official.	DOE/NV Exo. Coun.												
Notifies contractors of earned fee for the first half of the FY.	DOE/NV Fee Off.												
Requests comments from DOE/NV and contractors on the performance of contractors, these comments will be used in the (informal) quarterly meeting between DOE/NV and contractor's senior staff members.	DOE/NV CMD												
DOE/NV and Center senior management participate in an informal meeting to discuss contractor's performance for the third quarter of the FY.	DOE/NV and Ctrs.												
Request comments from DOE/HQ and DOE/NV on contractor's performance based on the established FY Award Fee Criteria.	DOE/NV CMD												
Begins validation/documentation process of completed FY performance measures and expectations.	DOE/NV Div. Dir.												
Brief DOE/NV Executive Council on BN's self-assessment.	Ctrs.												
Obtain scorecard signatures and Award Fee input.	DOE/NV AMs												
Establishes fee recommendation for Fee Determination Official.	DOE/NV Exo. Coun.												
Notifies Contractor of earned fee.	DOE/NV Fee Off.												

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